

RESOLUTION OF THE BOSTON REDEVELOPMENT AUTHORITY
RE: ESTABLISHMENT OF FAIR REUSE VALUE FOR
DISPOSITION PARCEL NO. P-4(1B) & Air Rights

IN THE SOUTH COVE URBAN RENEWAL PROJECT R-92

WHEREAS, the governing body of the Authority at a regular meeting on November 14, 1974, adopted a Resolution, entitled "Resolutions of the Boston Redevelopment Authority Relative to Establishment of Fair Reuse Value for Disposition Parcels", and

WHEREAS, the parcel was appraised by at least two independent fee appraisers, was reviewed by staff appraisers and the value recommended by the Land Disposition Officer:

NOW, THEREFORE, BE IT RESOLVED BY THE BOSTON REDEVELOPMENT AUTHORITY:
THAT, the Fair Reuse Value for disposition parcel listed below is hereby established:

<u>Parcel No.</u>	<u>Reuse</u>	<u>Address</u>	<u>Minimum Disposition Price</u>
P-4(1B) & Air Rights	Institutional	782 - 912 Washington Street & Air Rights Washington St.	\$63,000 42,700
			\$105,700

COMMENTSCertificate No. 6PROJECT SOUTH COVE - MASS. R-92DISPOSITION PARCEL NO. P-4 (1B) & Air Rights

ADDRESS	<u>782-912 Washington Street and Air Rights</u>	Minimum Disposition Price		
	<u>Dennis</u>	<u>Rogers</u>		
Parcel P-4(1B)	6,335 sq. ft.	\$60,900	\$76,000	\$63,000
Air Rights	11,824 sq. ft.	<u>17,100</u>	<u>47,500</u>	<u>42,700</u>
		\$78,000	\$123,500	\$105,700

The subject parcels consist of two items of real property. The first is 6,335 square feet of vacant land, located approximately 782-912 Washington Street, which is to be sold in fee. The second parcel is air rights over 11,874 square feet of Washington Street itself, above an elevation of 20 feet, adjacent in part to the first parcel.

Both parcels will be conveyed to New England Medical Center and utilized as part of a larger tract -- now owned by the Medical Center -- on which a 276,000 square-foot pediatric medical building will be constructed. The improvement will span Washington Street, thus necessitating the acquisition by the Center of the air rights.

Mr. Rogers has reached his value of \$12.00 a square foot for the portion of the parcel to be sold in fee by using the comparable sales approach. He has considered recent sales in the City and adjusted for location, size, zoning, and restrictions placed on the land by the Authority.

In his analysis of the value of the air rights, he attributes the value for the fee at \$12.00 per square foot and makes adjustments for the fact that it is a public way with rights of citizens and vehicles to operate over it, the density of the improvement, and the potential demand for air rights in this location. He computes the final value at 60% of the 50% reduction in the value of the land because of the right to use only air rights. His value under this approach of \$3.60 has been rounded to \$4.00 a square foot, or \$47,500.

Mr. Dennis reaches his opinion of value of the 6,335 square feet to be sold in fee by utilizing the comparable approach of sales of land in Boston, making appropriate adjustments for size, shape, location, zoning, and the restrictions of the Land Disposition Agreement. He comes to the final conclusion that the portion to be sold in fee has a value of \$60,900, or a value of \$9.60 per square foot.

Mr. Dennis' value of the base value of the air rights is close to that of Mr. Rogers -- 60% of the fee value of the land. However, his opinion of the diminution of the value for the fact that Washington Street is a public way is substantially greater than that of Mr. Rogers.

SOUTH COVE PROJECT

P-4 (1B) & Air Rights

Certificate No. 6

After reviewing the two appraisals, considering the land sales used by them and, in addition, other sales throughout the City recently, and the impact of the negative effect of the right to use Washington Street as a public way on the Air Rights value, it is the opinion of this reviewer that the value of the fee in the 6,335 square feet is \$10.00 a square foot, equal to \$63,000, and the value of the air rights is \$3.60, equal to a value of \$42,700.

Summation:	Parcel P-4 (1B)	-	\$63,000
	Air Rights		<u>42,700</u>
			\$105,700

Patricia M. Twohig
Patricia M. Twohig
Land Disposition Officer

MEMORANDUM

3829
August 2, 1979 8/2

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT J. RYAN, DIRECTOR

SUBJECT: SOUTH COVE PROJECT - MASS. R-92
Establishment of Fair Reuse Value for
Disposition Parcel No. P-4(1B) Certificate No. 6

It is requested that you approve and certify the fair reuse value for the disposition parcel listed on the attached certificate.

The parcel has been appraised by two qualified, independent fee appraisers. The appraisals have been reviewed by the Land Disposition Officer.

The Land Disposition Officer is of the opinion that the price for this parcel is a reasonable estimate of its fair reuse value.

